

**Senate File 375 - Introduced**

SENATE FILE 375

BY QUIRMBACH

**A BILL FOR**

1 An Act establishing a low-income enrollment categorical funding  
2 supplement for school districts and including applicability  
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.1, subsection 2, paragraph b, Code  
2 2023, is amended to read as follows:

3 b. For the budget year commencing July 1, 1999, and for  
4 each succeeding budget year beginning before July 1, 2022,  
5 the regular program foundation base per pupil is eighty-seven  
6 and five-tenths percent of the regular program state cost per  
7 pupil. For the budget year commencing July 1, 2022, and for  
8 each succeeding budget year, the regular program foundation  
9 base per pupil is eighty-eight and four-tenths percent of the  
10 regular program state cost per pupil. For the budget year  
11 commencing July 1, 1991, and for each succeeding budget year  
12 the special education support services foundation base is  
13 seventy-nine percent of the special education support services  
14 state cost per pupil. The combined foundation base is the sum  
15 of the regular program foundation base, the special education  
16 support services foundation base, the total teacher salary  
17 supplement district cost, the total professional development  
18 supplement district cost, the total early intervention  
19 supplement district cost, the total teacher leadership  
20 supplement district cost, the total area education agency  
21 teacher salary supplement district cost, ~~and~~ the total area  
22 education agency professional development supplement district  
23 cost, and the total low-income enrollment supplement district  
24 cost.

25 Sec. 2. Section 257.1, subsection 3, Code 2023, is amended  
26 to read as follows:

27 3. *Computations rounded.* In making computations and  
28 payments under [this chapter](#), except in the case of computations  
29 relating to funding of special education support services,  
30 media services, and educational services provided through the  
31 area education agencies, and the teacher salary supplement, the  
32 professional development supplement, the early intervention  
33 supplement, ~~and~~ the teacher leadership supplement, and the  
34 low-income enrollment supplement, the department of management  
35 shall round amounts to the nearest whole dollar.

1     Sec. 3. Section 257.4, subsection 1, paragraph a, Code 2023,  
2 is amended by adding the following new subparagraph:

3     NEW SUBPARAGRAPH. (11) The total low-income enrollment  
4 supplement district cost.

5     Sec. 4. Section 257.8, subsection 2, as amended by 2023  
6 Iowa Acts, Senate File 192, section 1, is amended to read as  
7 follows:

8     2. *Categorical state percent of growth.* The categorical  
9 state percent of growth for the budget year beginning July  
10 1, 2021, is two and four-tenths percent. The categorical  
11 state percent of growth for the budget year beginning July  
12 1, 2022, is two and one-half percent. The categorical state  
13 percent of growth for the budget year beginning July 1, 2023,  
14 is three percent. The categorical state percent of growth  
15 for each budget year shall be established by statute which  
16 shall be enacted within thirty days of the transmission of the  
17 governor's budget required by February 1 under [section 8.21](#)  
18 during the regular legislative session beginning in the base  
19 year. The categorical state percent of growth may include  
20 state percents of growth for the teacher salary supplement, the  
21 professional development supplement, the early intervention  
22 supplement, the teacher leadership supplement, the low-income  
23 enrollment supplement, and for budget years beginning on or  
24 after July 1, 2020, transportation equity aid payments under  
25 section 257.16C.

26     Sec. 5. Section 257.9, Code 2023, is amended by adding the  
27 following new subsection:

28     NEW SUBSECTION. 12. *Low-income enrollment supplement state*  
29 *cost per pupil.* For the budget year beginning July 1, 2024,  
30 the low-income enrollment supplement state cost per pupil is  
31 five hundred dollars. The low-income enrollment supplement  
32 state cost per pupil for the budget year beginning July 1,  
33 2024, and succeeding budget years, shall be the amount of the  
34 low-income enrollment supplement state cost per pupil under  
35 this subsection for the base year plus a supplemental state aid

1 amount that is equal to the low-income enrollment supplement  
2 categorical state percent of growth, pursuant to section 257.8,  
3 subsection 2, for the budget year, multiplied by the amount of  
4 the low-income enrollment supplement state cost per pupil under  
5 this subsection for the base year.

6 Sec. 6. Section 257.10, subsection 8, paragraph a, Code  
7 2023, is amended to read as follows:

8 a. Combined district cost is the sum of the regular  
9 program district cost per pupil multiplied by the weighted  
10 enrollment, the special education support services district  
11 cost, the total teacher salary supplement district cost, the  
12 total professional development supplement district cost, the  
13 total early intervention supplement district cost, the total  
14 low-income enrollment supplement district cost, and the total  
15 teacher leadership supplement district cost, plus the sum of  
16 the additional district cost allocated to the district to fund  
17 media services and educational services provided through the  
18 area education agency, the area education agency total teacher  
19 salary supplement district cost and the area education agency  
20 total professional development supplement district cost.

21 Sec. 7. Section 257.10, Code 2023, is amended by adding the  
22 following new subsection:

23 NEW SUBSECTION. 12A. *Low-income enrollment supplement cost*  
24 *per pupil and district cost.*

25 a. For budget years beginning on or after July 1, 2024,  
26 the low-income enrollment supplement district cost per pupil  
27 is equal to the low-income enrollment supplement state cost  
28 per pupil. The low-income enrollment supplement district cost  
29 is the low-income enrollment supplement district cost per  
30 pupil for a budget year multiplied by the number of pupils  
31 in a school district, as reported by the school district on  
32 the basic educational data survey for the base year, who are  
33 eligible for free and reduced price meals under the federal  
34 National School Lunch Act and the federal Child Nutrition Act  
35 of 1966, 42 U.S.C. §1751 - 1785.



1 state aid amount that is equal to the low-income enrollment  
2 supplement categorical state percent of growth for the budget  
3 year multiplied by the amount of the low-income enrollment  
4 supplement state cost per pupil for the base year.

5     The low-income enrollment supplement district cost per  
6 pupil is equal to the low-income enrollment supplement state  
7 cost per pupil. The low-income enrollment supplement district  
8 cost is the low-income enrollment supplement district cost  
9 per pupil for a budget year multiplied by the number of  
10 pupils in a school district who are eligible for free and  
11 reduced price meals as determined in the base year. The  
12 low-income enrollment supplement district cost is added to  
13 the combined foundation base, similar to other categorical  
14 funding supplements, and is accordingly paid as part of state  
15 foundation aid to school districts. The bill allows the  
16 low-income enrollment supplement amounts to be used for any  
17 school general fund purpose.

18     The bill applies July 1, 2024, for school budget years  
19 beginning on or after that date.